

TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

Request for Applications for Alternative Fuels Initiative Program of the Texas Comptroller of Public Accounts State Energy Conservation Office (RFA# AF-G1-2013)

Official Responses to Questions from Potential Applicants **(April 12, 2013)**

1. What is the Gross Vehicle Weight Range (GVWR) for light-duty vehicles?

RESPONSE: As illustrated on the U. S. Department of Energy's Alternative Fuels Data Center website (http://www.afdc.energy.gov/data/tab/all/data_set/10380), the gross vehicle weight rating (GVWR) for light duty vehicles is less than 10,000 pounds.

2. What is the Gross Vehicle Weight Range (GVWR) for medium-duty vehicles?

RESPONSE: As illustrated on the U. S. Department of Energy's Alternative Fuels Data Center website (http://www.afdc.energy.gov/data/tab/all/data_set/10380), the GVWR for medium duty vehicles is from 10,001 to 26,000 pounds.

3. What is the Gross Vehicle Weight Range (GVWR) for heavy-duty vehicles?

RESPONSE: As illustrated on the U. S. Department of Energy's Alternative Fuels Data Center website (http://www.afdc.energy.gov/data/tab/all/data_set/10380), the GVWR for heavy duty vehicles is greater than 26,001 pounds.

4. Can you confirm that the maximum allowable grant amount available per applicant is \$200,000?

RESPONSE: Yes; the maximum grant amount per applicant is \$200,000.00.

5. Will the awarded applicant be required to report the ultimate disposition of the old engine?

RESPONSE: No, a successful applicant, if any, will not be required to report the disposition of the replaced engine.

6. With regards to http://seco.cpa.state.tx.us/funding/sep/sep_2-2_alt_fuel.php Does this mean I can count on up to \$10,000 to a *[sic]* purchase of an electric car?

RESPONSE: Grants may cover up to 80% of the incremental costs related to the purchase of electric/alternative fuel or hybrid vehicles and/or conversion of vehicles to alternative fuels. The maximum grant per vehicle for a light to medium duty vehicle is \$10,000.00.

7. Am I correct that there are no specific application forms to be filled in when applying for a grant from this program?

RESPONSE: Applicants for a grant under this RFA must complete the Application which consists of pages 7 through 15 of the Request for Applications document available on the Electronic State Business Daily ("ESBD") as Package 1 at http://esbd.cpa.state.tx.us/bid_show.cfm?bidid=105122 or the State Energy Conservation Office (SECO) RFA at http://seco.cpa.state.tx.us/funding/sep/sep_2-2_alt_fuel.php.

- 8. If an organization submits an application on behalf of a number of entities, can each of the entity's /sic/ apply for the maximum grant of \$200,000 or is the total of the organization's application limited to \$200,000?**

RESPONSE: Each eligible entity must submit its own application, which must be signed by the appropriate officers of the entity that will receive the grant funds, if awarded. Each eligible entity can apply for the full grant amount of \$200,000.00.

- 9. This grant requires that the grant funds must be expended by August 31, 2013. If we were to issue a purchase order by that time, would we qualify? Or must we receive and pay an invoice? Thank you for the information.**

RESPONSE: All grant funds must be spent and the reimbursement request with all supporting documentation submitted to SECO on or before the August 31, 2013.

- 10. Please verify if this program is available to State agencies or not.**

RESPONSE: No, a state agency is not an eligible entity under this RFA.

- 11. Can the funds be used for construction of an Alternative Fuel Station?**

RESPONSE: No, this RFA is for supplementing the cost of vehicle purchases and/or conversions only.

- 12. Are institutions of higher education eligible?**

RESPONSE: No, institutions of higher education are not eligible entities under this RFA.

- 13. Is using the MSRP as a budget line item for a vehicle sufficient, or do we need a quote?**

RESPONSE: Since the Manufacturer's Suggested Retail Price (MSRP) is only a suggestion, a quote is required.

- 14. Is this grant available for new or used vehicles?**

RESPONSE: Grant funding can be used for the purchase and/or conversion of new and/or existing vehicles if the year model is year 2012 or newer. Funds may not be used for incremental costs associated with acquisition of used vehicles.

- 15. On page 3, paragraph 2 of General Guidelines, the implication is that existing vehicles must be 2012 or newer. I believe that the intention was to mean that all replacement vehicles must be 2012 or newer, but that conversion eligible vehicles could be as old as 6 years (light duty) or 12 years (diesel). Please clarify.**

- In the worksheets provided, the GREET calculates CO2 based upon the 2010 emission levels of engines.
- Also in those worksheets, the EPA calculates based upon vehicle engines up to 6 years old (Light duty vehicles) or up to 12 years old (Heavy duty engines).

RESPONSE: All eligible vehicles and conversions of existing vehicles must be 2012 model year or newer.

16. Also on page 3, paragraph 9 or *[sic]* General Guidelines, the indication is that the grant funds must be expended by August 31, 2013. I want to ensure that this means that the actual check for reimbursement must be written by that date, not that the contract is in place to reimburse those funds sometime later (September/October). Please clarify.

RESPONSE: All grant funds must be spent and the reimbursement request with all supporting documentation submitted to SECO on or before the August 31, 2013.

17. Could you explain into more detail the definition of Texas political subdivision?

RESPONSE: "Political subdivision" means a county, municipality, school district, or other special district or authority created by state law."

18. On the application when you say conversion. *[sic]* What do you mean by conversion? Would the grant cover any purchase of any of the alternative fuel vehicles? Would the conversion be the project?

RESPONSE: The term conversion is used to describe the change of a fuel system on a vehicle that operates on a traditional fuel to one that operates on an alternative fuel. Grants may cover up to 80% of the incremental costs related to the purchase of electric/alternative fuel or hybrid vehicles and conversion of vehicles to alternative fuels. Yes, this grant can be used for converting vehicles from traditional to alternative fuels.

19. In the case the grant covers the purchase, would it be a partial purchase covering some percentage of the vehicles total cost or would it cover the whole vehicle cost?

RESPONSE: Grants may cover up to 80% of the incremental costs related to the purchase of electric/alternative fuel or hybrid vehicles and conversion of vehicles to alternative fuels.

20. From my understanding, the grant just covers alternative fuel vehicles but could the grant be considered for the installation of a recharging station of any of the applicable fuels, especially Electric vehicle charging station?

RESPONSE: No, the funds available under this RFA are for supplementing the cost of vehicle purchases and conversions only.

21. Could you give a little more detail on what you consider light to medium duty vehicles? Weight, size or type of vehicle? Same question for heavy duty?

RESPONSE: Please see the responses to Questions 1 – 3, above.

22. In case of being awarded, do the required reports are *[sic]* a template that you provide and we just fill in or is it just a document we put together with the activities toward the progress of the project? How formal would the report need to be?

RESPONSE: SECO would provide the reporting template if a grant award is made.

23. In the case for example of electric vehicle stations. If there is no station in our region or if the ones that exist are not working properly because they have not being /sic/ used, etc. Could the grant help in the purchase of the charging station or with the cost of fixing one?

RESPONSE: No, the RFA is for supplementing the cost of vehicle purchases only.

24. If the answer to the previous question is yes. Would the EV charging station need to be compliant with buy America act or any similar act that requires purchases to be from American manufacturers?

RESPONSE: Not Applicable. See response to Question No. 23, above.

25. Are light vehicles such as those listed at <http://www.afdc.energy.gov/fuels/> under light duty vehicles – low speed, eligible under this grant program?

RESPONSE: Light duty low-speed vehicles are not eligible.

26. My understanding is that this grant will cover only 80% of the cost difference between a conventional fuel vehicle and an alternative fuel vehicle. For instance, Toyota makes a conventional fuel Rav 4 at a cost of \$30,000 (illustration purpose only) and an all-electric Rav 4 at a cost of \$45,000. My understanding is that this grant will only pay up to 80% of the \$15,000 difference to a maximum of \$10,000. Is this reasoning correct? Will the base cost count as match?

RESPONSE: Yes, an applicant may use the base amount of the vehicle purchase as match.

27. If light vehicles from Question 25 are allowed, how is the incremental cost increase determined?

RESPONSE: See the response to Question No. 25, above.

28. Is this program available to the agencies – HHSC (529), DSHS (537), DARS (538), and DADS (539)?

RESPONSE: See the response to Question No. 10, above.

29. Is this program available to convert existing hybrid electric vehicles to PHEVs? See http://www.afdc.energy.gov/vehicles/electric_conversions.html for details and http://www.engineer.us/products/conversion_kit.php or <http://www.boulderhc.com/> for some commercially available systems.

RESPONSE: Yes, funding under this RFA is available to convert existing hybrid electric vehicles to PHEVs if documentation of detailed savings and emission reductions to justify using grant funds for this purpose is provided.

30. Is this program available to convert existing conventionally (gas and diesel) fueled vehicles to PHEVs? See http://www.afdc.energy.gov/vehicles/electric_conversions.html for details and <http://odyne.com/> for commercially available systems.

RESPONSE: Yes, this grant funding can be used to pay for incremental costs to convert gas or diesel with EPA-approved plug in electric vehicle (PHEV) conversion systems.

31. Is this program limited to expenses associated with on-road equipment only or is there a component within this offering (or via another current offering of SECO) that would provide funding assistance for alternative fueling infrastructure?

RESPONSE: No, the funds available under this RFA are for supplementing the cost of vehicle purchases only.

32. Can you explain the full list of what Texas political subdivisions are? Municipalities? Water Districts? Etc.

RESPONSE: See response to Question No. 17, above.

33. Please clarify how incremental costs are calculated. My understanding is for example a traditional vehicle costs \$40,000. An alternative fuel (electric/LPG/etc) model of the same type of vehicle costs \$60,000. Thus the incremental cost is \$20,000, and SECO will fund up to 80% of that \$20,000, or up to \$16,000 (assuming a heavy duty vehicle), the remaining 20% (\$4,000) to be provided in matching funds from the applicant.

RESPONSE: The example provided is accurate. Grants may cover up to 80% of the incremental costs related to the purchase of electric/alternative fuel or hybrid vehicles and conversion of vehicles to alternative fuels. The maximum grant per vehicle is \$10,000 for light to medium duty vehicles and \$50,000 for heavy duty vehicles.

34. Does the cost of vehicles include taxes? What exactly is included?

RESPONSE: No, the cost of the vehicle does not include taxes. Eligible applicants should all be tax exempt.

35. Are any other uses of grant funds permissible besides incremental costs of purchase/upgrades alternative fuel vehicles? Can funds be used to improved */sic/* alternative fuel infrastructure?

RESPONSE: No, the funding available under this RFA is for supplementing the cost of vehicle purchases only.

36. Training for alternative fuel operators and/or occupants is mentioned in the project description. Can grant funds be used to pay for a training program? Can matching funds be used to pay for a training program? Can donations/in kind services/materials/etc from training partners be used as matching funds, either directly or through a relationship with the applicant?

RESPONSE: No, grant funds are allowed for training but the expense of a training program can be used as match.

37. Can other grants or funding sources be used as part of the 20% match? Please explain in detail all the options that can be used as part of the 20% match. Can the cash/materials/equipment/personnel be used in the training? Installation? Design of vehicle conversion? Etc.

RESPONSE: Yes, other grant funds (unless it is funding provided by the Department of Energy) or other funding sources listed in Part 4E of the Application can be used as part of the 20% match.

38. Do all upgrades/deliveries of purchased equipment need to have arrived by Aug. 31? Or do all the fund just need to be expended?

RESPONSE: All grant funds must be spent and the reimbursement request with all supporting documentation submitted to SECO on or before the August 31, 2013. If vehicle delivery is necessary after this date, payment will not be made until the applicant is in possession of the vehicle(s).

39. Is there an extension window for when matching funds can be approved by the applicants proper board, committee, etc.?

RESPONSE: Match description must be included in the application and must be fully authorized by the Chief Financial Officer before a contract can be executed, if an award is made.

40. Would the full cost of an alternative fuel upgrade count as the incremental cost?

RESPONSE: Yes, the full cost of an alternative fuel upgrade may qualify as the incremental cost

41. Can external consultants be hired for design/implementation of the fleet upgrades if the applicant lacks the expertise in house? Can grant funds be used for this? Can matching funds be used for this?

RESPONSE: External consultants' costs are not eligible grant or matching fund expenses.

42. How detailed do the miles driven/gallons used/fleet calculations have to be? Is there a standard protocol for calculating this?

RESPONSE: Applicants are required to provide the average miles driven in Part 2B of the Application. This information should be available from previous vehicle logs or from standard calculations that the applicant entity has used in procurement decisions.

**43. Do the GHG reduction calculations have to come from the following website:
http://www.transportation.anl.gov/modeling_simulation/clean_cities_area_interest4.html?**

RESPONSE: Yes, otherwise the calculation would not be equivalent on all applications.

44. Are there specific dates that invoices must be dated to get reimbursed on vehicle purchases such as the Toyota Prius or Chevy Volt? If I have 2012s in my fleet, are they eligible for the grant?

RESPONSE: The vehicles must be purchased or converted within the contract period, if awarded. Vehicles owned by an applicant which are model year 2012 may be eligible conversion under this RFA.

45. Considering the geographical constraint of personally reviewing the document, please provide us with the following details:

a. List of Items, Schedule of Requirements, Scope of Work, Terms of Reference, Bill of Materials required.

RESPONSE: The scope of work and items requested are as set forth in the RFA.

b. Soft Copy of the Tender Document through email.

RESPONSE: The complete Request for Applications is available for downloading or printing, free of charge, at the following website address: <http://esbd.cpa.state.tx.us>.

c. Names of countries that will be eligible to participate in this tender.

RESPONSE: Respondents must be able to meet the minimum requirements of the RFA.

d. Information about the Tendering Procedure and Guidelines.

RESPONSE: The requested information is set forth in the RFA.

e. Estimated Budget for this Purchase.

RESPONSE: As set forth in the RFA, there is a total of approximately \$1,400,000.00 available for grants under this RFA.

f. Any Extension of Bidding Deadline?

RESPONSE: No; all responses are due by the April 26, 2013, 2:00 p.m. Central Time deadline as set forth in the RFA.

g. Any Addendum or Pre Bid meeting Minutes?

RESPONSE: At this time, there are no addenda or pre-bid meeting minutes associated with this RFA. Notices of changes to items directly impacting the original RFA or proposed process will be posted on the Electronic State Business Daily ("ESBD"), located at <http://esbd.cpa.state.us>. Any amendment to this solicitation will be posted as an addendum on the ESBD. Respondents are solely responsible for checking the ESBD for notices of changes in the Schedule of Events or addenda, if any, to the RFA.